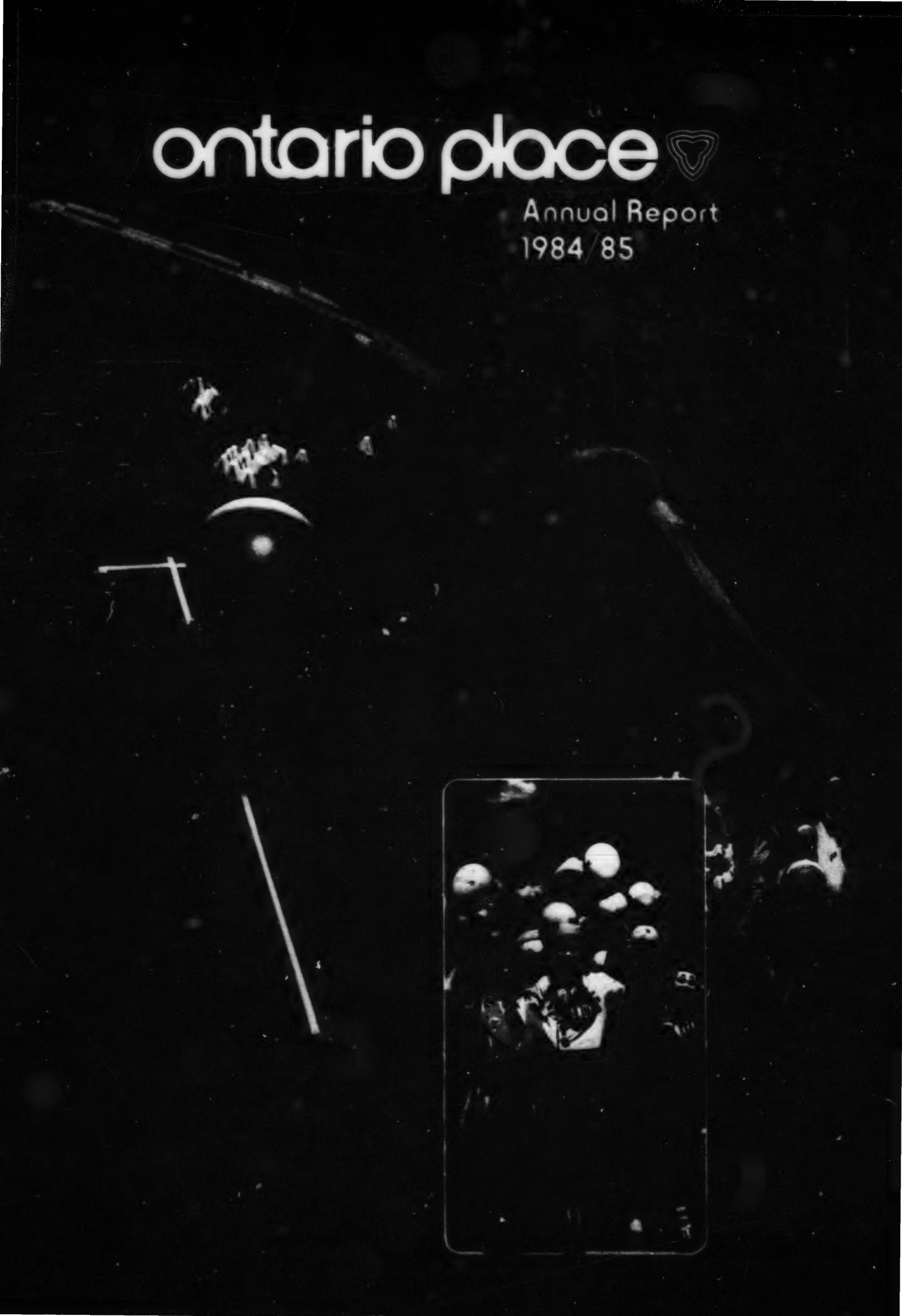
ontario place

Annual Report
1984/85



86-01873/

Ontario Place Corporation
A Crown Corporation of the Government of Ontario
The Honourable John Eakins, Minister
James W. Keenan, Deputy Minister

Board of Directors

William J. McAleer*
Chairman of the Board

Donald H. Hartford*
Vice-Chairman of the Board

Joseph A. Chiappetta

Dennis Freeman

Fern Greenbaum

Ronald J. Logan

Tom MacMillan*

Barbara J. Martin

James W. Nuttall*

Ronald C. Shouldice

R.A. Fraser Thompson

Art Ward

Deputy Minister - Ministry of Tourism & Recreation Ex-Officio

*Member of Executive Committee

Officers

William J. McAleer
Chairman of the Board

Donald H. Hartford
Vice-Chairman of the Board

Virginia Cooper
General Manager

Thomas C. Curtis
Secretary-Treasurer

CONTENTS

INTRODUCTION

Minister's Message 2
Chairman's Message 3

THE YEAR IN REVIEW

Attendance 4
Programming 4
Attractions and Operations 4
Marketing and Public Relations 5
Site Improvements 5

FINANCIALS

Balance Sheet 6
Auditor's Report 6
Statement of Operations and Retained Income 7
Notes to Financial Statements 8

BACKGROUND

Organization 9
Personnel 9
Major Site Features 9

INTRODUCTION

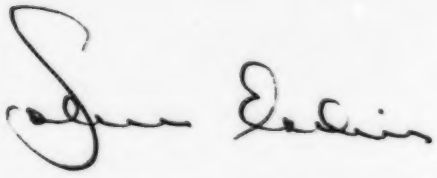
Minister's Message

Ontario Place was established by the Province to provide residents and tourists with an appreciation of Ontario in an inviting waterpark setting. Since its creation 14 years ago, Ontario Place has gained an enviable international reputation as an outstanding cultural, leisure and entertainment centre, with annual attendance exceeding 2 million people.

Ontario Bicentennial celebrations in 1984 provided Ontario Place with additional opportunities to highlight the Province's achievements and potential.

During this special year, Ontario Place also focused on its own future. Taking a major step towards ensuring ongoing success in the years ahead, the Corporation obtained approval to proceed with its long range redevelopment plan. The new facilities and services that are part of the plan will contribute to continued visitor satisfaction and maintain Ontario Place's reputation as a leader in the tourism and recreation field.

I am pleased to present the fourteenth Annual Report of the Ontario Place Corporation.



Hon. John Eakins
Minister
Ministry of Tourism and Recreation

Chairman's Message

Established in 1971, Ontario Place is proud of the high standard of service it has provided for the past 14 years to Ontario's citizens and visitors.

Following are highlights of the initiatives implemented during 1984/85 to maintain the Ontario Place performance record:

- A new IMAX film, "Journey of Discovery", prepared for the Bicentennial was shown in Cinesphere while a new 35mm film "Ontario Yours to Discover" was featured in Theatre 1.
- Ontario Place assumed control of four fast food facilities during the year and operated three of them.
- Site improvements included the development of a new 300 space parking lot on East Island, a major new signage program for attractions and better signs to guide pedestrian traffic. In cooperation with the Ontario Lottery Corporation, an electronic billboard was installed on Lakeshore Boulevard for mutual advertising benefits.
- Three solar heating demonstration projects located at the Waterslide, Future Pod and the Trillium were developed with assistance from the Ministry of Energy.
- A new retail outlet to market northern Ontario products was opened in the Ontario North Now complex with the assistance of the Ministry of Northern Affairs. Additional structural and program changes to the facilities resulted in a significant attendance increase at Ontario North Now.
- Automation of Ontario Place's financial and administrative functions commenced with the acquisition of a mini computer.
- Continued attention to marketing Ontario Place as a tour group destination, a learning centre for school children and a location for convention and special functions resulted in increased revenues in these areas from the previous year.
- Corporate sponsorship initiatives were again successful in securing sponsorship for numerous special events and programs.

In 1984, Ontario Place also received approval to begin construction on phase one of its Long Range Plan intended to create a new themed attraction, a unique entertainment stage area and additional food outlets in the under utilized western section of the site. Significant increases in attendance figures and visitor enjoyment are anticipated in future seasons as a result.

William J. McAleer
Chairman of the Board
Ontario Place Corporation

THE YEAR IN REVIEW

Attendance

During the 1984/85 fiscal year attendance totalled 2,227,049. Visitations by operating period were as follows:

Summer Season		
Non C.N.E.	1,495,262	
C.N.E.[1]	627,364	2,122,626
Off Season[2]		26,653
70mm Film Festival[3]		77,770
Total		2,227,049

Notes:
1. Ontario Place site visitations generated during the Canadian National Exhibition operating period (August 15 to September 3, 1984).
2. Includes attendance at special functions held at Ontario Place before the official opening date and after the official closing date.
3. December 28, 1984 to March 24, 1985.

In 1984, summer attendance declined by 13% from the 1983 level of 2,436,800. In addition to inclement weather, much of this decline resulted from a significant drop in attendance during the Canadian National Exhibition period when Ontario Place and the Canadian National Exhibition operate a joint gate.

Programming

Ontario Place encompasses a wide variety of recreational, entertainment and exhibit facilities which are programmed during the operating season for broad public appeal. They also serve to interpret the rich resources of the Province and its many achievements to Ontario residents and visitors. Research conducted during the 1984 season indicates that visitors' perceptions of the Ontario Place experience continue to be highly positive.

- **The Forum** is a well established outdoor amphitheatre in the classical tradition of theatre in the round. It presents high quality performances each evening and at matinees on weekends and holidays and is free with the price of admission to the grounds. Included during the 1984 season were internationally acclaimed entertainers, well known Canadian and Ontario performers, cultural heritage events, orchestral concerts and ballet performances, as well as the Sixth Annual Ontario Jazz Festival and The Ford Family Circus.
- **Cinesphere** is one of the world's most advanced film theatres. In honour of the Province's Bicentennial, the new IMAX film "Journey of Discovery" was shown regularly all season. Access to this facility is also free with general admission to Ontario Place except during the C.N.E. period.
- **Summer Garden** sponsored by Molson Ontario Breweries Limited and located in West Island Village was the venue for a variety of Canadian entertainment. During the day, it was the site of matinee performances and special events. Evening shows were devoted to dance music, with the weekly CFNY Video Road Shows being particularly successful.
- **Theatre I**, located in the "pod" complex, presented a double bill featuring "Ontario: Yours to Discover", a 35mm journey of discovery through Ontario's vacation land and "Inward Passage", a special three-screen film presentation on the St. Lawrence Seaway, produced by the Ministry of Transportation and Communications.
- **Theatre II** also in the "pod" complex, presented children's music, magicians, puppet shows and clowns.
- **The Showboat**, featuring a broad range of Canadian talent, toured Ontario Place waterways on weekends and holidays during May and June and Wednesday through Sunday during July and August. Coca-Cola Ltd. sponsored this entertainment.
- **Future Pod**, developed with the assistance of BILD funds provided an entertaining and educational interactive exhibit area with the latest Canadian technology in music, communications, aero space, computer games, education and energy.
- **Ontario North Now** operated by the Ministry of Northern Affairs to highlight the resources and achievements of Northern Ontario, experienced increased attendance levels as a result of renovations to the exhibit areas and improved marketing.
- **General Site Entertainment** primarily geared to children was presented all season and included clowns, marching bands, costumed animal characters, magicians and roving artists. Displays of fireworks were also presented during holiday weekends.
- **The Ontario Place 70mm Film Festival** was presented for the fifth consecutive year extending for 13 weeks from December 28, 1984 to March 24, 1985 and featured popular award winning 70mm films in Cinesphere.

Attractions and Operations

Ontario Place attractions continue to be important contributors to visitor enjoyment providing educational, recreational and entertainment opportunities for all age groups. During the 1984 operating season, the following attractions were available to the public: Children's Village and Waterplay Areas, Miniature Golf*, Landride*, Bumper Boats*, Pedal Boats*, Remote Control Boats*, the four-flume Waterslide*, and H.M.C.S. Haida*. The Carlsberg Championship Team and Wagon provided an additional live attraction. Site surveys undertaken during the season indicate public impressions of the attractions visited were very favourable and represented good value.

In the five retail outlets operated by Ontario Place, merchandise is presented in artistic displays by a personable, enthusiastic staff of student employees. In 1984, our visitors were able to see and select gifts or mementos from a wide variety of Canadian made crafts and souvenirs ranging from soapstone carvings to keychains. The Ontario North Now Shop selling only merchandise from Northern Ontario, was a popular and successful addition. Site surveys and an increase in per capita spending demonstrate customer approval and appreciation of the quality, price and diversity of merchandise.

Food services at Ontario Place range from snack and fast food outlets to family restaurants and fine dining facilities at the Trillium Restaurant. During 1984, the Corporation operated eight snack bars and worked closely with eleven concessions to provide good, fresh, wholesome food at affordable prices. The use of Foodland Ontario products whenever possible was strongly encouraged. Public response to the range and quality of Ontario Place food services was very positive.

The Ontario Place Marina provided 360 slips for area boaters during the 1984 season. In addition, training programs were provided by the Corporation to ensure the highest standards of service to the public are maintained throughout the site in such areas as Admissions, Parking, Security and First Aid.

*Paid Attractions

Marketing and Public Relations

The major 1984 summer advertising campaign consisted of high-profile, multi-media efforts promoting the Ontario Place experience in general and the Forum specifically, featuring the theme "It's All Yours". Complementary campaigns were developed for Future Pod and the new IMAX Bicentennial film, "Journey of Discovery". On-site market research of Ontario Place visitors indicated high levels of awareness as a result of the advertising campaigns.

An effective media relations program resulted in supportive newspaper, magazine, television and radio coverage in the Corporation's major market areas.

A number of major promotions and public awareness events were developed in 1984 with social, cultural, educational or recreational themes. These included R.E.A.C.H. For The Rainbow, Opening Ceremonies for the Toronto International Music Festival, the Tall Ships Rendezvous, the Festival of Ontario Wines, the 41st Anniversary of the Commissioning of the H.M.C.S. HAIDA, Polonia Day, CFNY Windsurfing Weekend, BMX Weekend, C Plus/Carling Bassett Tennis Clinic and the Noon Hour Gunners Club.

As a result of more aggressive sales efforts directed at schools and the travel trade and the development of additional tour group packages, increases in group visitations were achieved. In addition, successful conference and function sales marketing of the Trillium Restaurant and Banquet Facility to the corporate and private sectors resulted in increased banquet and rental revenues.

During 1984, Ontario Place almost doubled its corporate sponsorship revenues with a 91% increase over 1983. Principal sponsors included: Molson Ontario Breweries Ltd., Ford Motor Company of Canada, Ltd., Carling O'Keefe Breweries Ontario Ltd., Coca-Cola Ltd., Minolta Canada Inc., Brooke Bond Inc. and Toronto Dominion Bank.

Site Improvements

The man made island environment of Ontario Place presents on-going maintenance challenges. Visitor safety and comfort as well as high standards of site cleanliness were ensured during the 1984/85 fiscal year through the following major maintenance and construction projects:

- The East Causeway area was expanded to reduce traffic congestion and provide parking space for an additional 300 cars and buses. Sewage, water and upgraded electrical services were extended to the causeway, permitting a new guard and ticket booth to be built. The appearance of the area was also enhanced through effective landscaping.
- Phase II of the installation of ductile piping on East Island was completed thereby eliminating the high risk of watermain and sewage breaks in a critical area on site. This will decrease future maintenance costs and prevent the inconvenience of major breaks during peak season activities.
- Shore protection was undertaken through the creation of a breakwater, permitting the reclamation of eroded land on the south eastern corner of the site.
- The Waterplay Area was improved through the installation of new underground plumbing. A new synthetic rubber covering was used to re-surface the area to improve the appearance and reduce the danger of accidents in this popular children's play setting.
- The Carlsberg Team and Wagon area was re-landscaped and an access road provided for easier mobility of the wagons and vehicles. Water service to the stables was also provided to maintain cleanliness.
- The Japanese Temple Bell area was enhanced through the installation and appropriate landscaping of works of sculpture provided by the Japanese Businessmen's Community of Toronto.
- A Bicentennial floral bed was created highlighting Ontario Place festivities to mark this special year.
- A Kosso Eloul sculpture was installed and dedicated at Centre Entrance.

FINANCIALS

Ontario Place Corporation

(Incorporated without share capital under the Ontario Place Corporation Act)

Balance Sheet

as at March 31, 1985

ASSETS

	1985	1984
Current assets		
Cash and short term deposits	$4,567,151	$1,132,743
Accounts receivable	112,500	148,755
Due from BILD (note 3a)	64,514	240,100
Due from the Ministry of Tourism and Recreation	—	600,000
Due from the Ministry of Northern Affairs	—	34,851
Inventory (note 1b)	265,038	184,764
Prepaid charges	95,954	290
	5,105,157	2,341,503
Fixed assets (notes 1a and 2)	1	1
	5,105,158	2,341,504

LIABILITIES AND RETAINED INCOME

Current liabilities		
Accounts payable and accrued liabilities	2,847,098	1,258,627
Holdbacks payable	559,489	21,968
Accrued realty taxes	242,045	193,669
Deferred income (note 9)	50,766	55,223
	3,699,398	1,529,487
Retained income	1,405,760	812,017
	5,105,158	2,341,504

See accompanying notes to financial statements.

On behalf of the Board:

Director

Director

To Ontario Place Corporation and to the Minister of Tourism and Recreation.

I have examined the balance sheet of Ontario Place Corporation as at March 31, 1985 and the statement of operations and retained income for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Corporation as at March 31, 1985 and the results of its operations for the year then ended in accordance with the basis of accounting described in note 1a to financial statements applied on a basis consistent with that of the preceding year.

A report on the audit has been made to the Corporation and to the Minister.

Toronto, Ontario,
August 26, 1985

D.F. Archer, F.C.A.,
Provincial Auditor.

Ontario Place Corporation

Statement of Operations and Retained Income for the year ended March 31, 1985

	1985	1984
Operating Income		
Fees - admissions	$4,707,469	$4,620,852
- parking	1,203,287	1,033,153
- revenue attractions	869,109	994,652
Concessions (note 5)	965,467	1,099,636
Gross profit - food services (note 6)	556,409	372,629
- boutiques (note 7)	247,751	224,819
- Winter Program (note 8)	204,429	258,372
Corporate sponsorship	429,500	272,876
Marina	349,851	308,255
Interest income	275,305	71,619
Film rentals and videotaping fees	56,376	149,262
Other	117,191	121,261
	9,982,144	9,527,386
Administrative and operating expenditures		
Salaries, wages and employee benefits	5,021,332	4,621,584
Programming and entertainment	2,247,615	2,052,441
Advertising	1,156,041	997,736
Site maintenance and miscellaneous services	1,133,013	1,018,079
Realty taxes	856,682	744,185
Supplies	562,272	511,560
General and office	514,703	437,811
Utilities	480,882	465,397
Security services	261,026	253,304
Films and photography	26,463	15,424
Directors' fees	10,505	10,920
	12,270,534	11,128,441
Net operating loss before grant	2,288,390	1,601,055
Province of Ontario operating grant	2,872,000	2,112,000
Net operating income	583,610	510,945
Province of Ontario capital grant	7,519,000	2,949,000
Less capital expenditures (note 2)	7,508,867	2,893,971
	10,133	55,029
Net income	593,743	565,974
Retained income, beginning of year	812,017	246,043
Retained income, end of year	1,405,760	812,017

See accompanying notes to financial statements.

Ontario Place Corporation

NOTES TO FINANCIAL STATEMENTS
March 31, 1985

1. SIGNIFICANT ACCOUNTING POLICIES

(a) The financial statements have been prepared in accordance with generally accepted accounting principles except that the Corporation charges all additions to fixed assets as expenditures in the year of acquisition and credits all capital grants to income in the year received. Fixed assets are reflected on the balance sheet at a nominal value.

Furthermore, all grants received and expenditures incurred for the BILD funded projects (note 3) and other non Ministry of Tourism and Recreation funded special projects (note 4) are not included in the Statement of Operations.

(b) Inventory is valued on a first in first out basis at the lower of cost or net realizable value.

2. FIXED ASSETS

The original capital cost of facilities provided by the Province of Ontario, less disposals, amounted to approximately $28.9 million as at March 31, 1985.

The total accumulated costs of fixed assets acquired since that time, less disposals, are as follows:

	1985	1984
Improvements to land	$ 5,107,289	$4,387,246
Buildings	12,773,036	7,839,384
Furniture and equipment	5,812,975	3,692,861
IMAX films	1,592,493	1,469,442
	25,285,793	17,388,933

During the year the Corporation undertook Phase I of a major five year capital improvements project. Phase I included the addition of a flume ride called the "Wilderness Adventure Ride" and major improvements to the west village and west entrance.

3. DUE FROM BILD

(a) Future Pod

During the current fiscal year, the Board of Industrial Leadership and Development (BILD) allocated $500,000 (1984 - $500,000) to provide capital and operating funds for "Future Pod", a high technology display at Ontario Place.

As at March 31, 1985 the Corporation had spent $484,130 (1984 - $449,721) of which $424,978 (1984 - $378,003) was for operating costs and $59,152 (1984 - $121,718) was for capital expenditures which is included in fixed assets. At March 31, 1985, the Corporation had received $470,767 (1984 - $448,570) from BILD leaving a balance to be recovered of $64,514.

(b) Shoreline Protection

During the previous fiscal year, BILD agreed to provide up to $569,000 for a construction project to protect the eastern shoreline of Ontario Place from erosion.

The project was completed during the current year and the Corporation spent $93,404 (1984 - $476,268) which is included in fixed assets.

4. OTHER SPECIAL PROJECTS

(a) Ministry of Energy - Solar Energy

During the year the Ministry of Energy provided $148,261 for a demonstration project to use solar energy for water heating and electrical uses.

As at March 31, 1985, the Corporation had spent $145,787 which is included in fixed assets. The balance of the grant remains unspent and is included in the Corporation's liabilities.

(b) Ontario Lottery Corporation - Signage

During the year $116,789 was provided from the Ontario Lottery Corporation for the acquisition and installation of a programmable message sign.

As at March 31, 1985, the Corporation had spent $110,272 which is included in fixed assets. The balance of the grant remains unspent and is included in the Corporation's liabilities.

5. CONCESSIONS

Concession revenue includes rents from concessionaires and the net operating profit of the Trillium Restaurant which is operated under a management agreement.

6. GROSS PROFIT ON FOOD SERVICES

The operations are summarized as follows:

	1985	1984
Sales	$857,962	$545,822
Merchandise Cost of Sales	301,553	173,193
Gross Profit	556,409	372,629

7. GROSS PROFIT ON BOUTIQUES

The operations are summarized as follows:

	1985	1984
Sales	$634,196	$596,136
Merchandise Cost of Sales	386,445	371,317
Gross Profit	247,751	224,819

8. GROSS PROFIT ON WINTER PROGRAM

The operations are summarized as follows:

	1985	1984
Sales	$380,187	$495,621
Film Rentals, Snack Bar and Boutique Cost of Sales	175,758	237,249
	204,429	258,372

9. DEFERRED INCOME

Deferred income results primarily from the prepayment of IMAX film rental fees and Marina slip rentals.

10. COMMITMENTS

The Corporation has signed contractual obligations totalling $9,300,000 as at March 31, 1985 for construction work under Phase 1 of the five year capital improvement project (note 2). Of this amount, $6,100,000 has been spent as at March 31, 1985.

11. COMPARATIVE FIGURES

Comparative figures have been reclassified where necessary to conform to 1985 presentation.

BACKGROUND

Organization

Established as a Crown Corporation of the Government of Ontario in May 1972, Ontario Place is administered by a 13-member Board of Directors reporting to the Minister of Tourism and Recreation.

Officers of the Corporation are: the Chairman of the Board, Chairman of the Executive Committee and Vice-Chairman of the Board, the General Manager and the Secretary-Treasurer.

Reporting to the General Manager are four Senior Department Managers responsible for:

- Finance and Operations
- Marketing and Public Relations
- Programming
- Maintenance and Construction

Personnel

Corporation staff levels for the year ending March 31, 1985 accounted for 450 full-time job equivalents. Ontario Place employed 92 full-time staff and approximately 655 summer students recruited primarily from Ontario colleges and universities. On-site concessions provided employment for an additional 470 summer seasonal staff.

Major Site Features

Major features of the 96-acre parkland complex extending throughout three man-made islands along the Toronto waterfront include:

EAST ISLAND

The Forum, Children's Village and Waterplay Area, four-flume Waterslide, Bumper Boats, Remote Control Boats, H.M.C.S. Haida, Miniature Golf, Showboat, 300-slip Marina, Boat Cruises, 3 Sit-Down Restaurants (total of 1,200 seats), 7 Snack Bars and 3 Gift Shops.

THE PODS

Cinesphere (800-seat IMAX theatre), Yours to Discover Theatre (audio-visual film theatre with seating capacity for 325), Children's Live Theatre (275 seats), Future Pod (10,000 sq. ft. high-technology exhibit), Trillium Restaurant (280 seats), Lounge and Banquet Facilities.

WEST ISLAND

Ontario North Now (7,700 sq. ft. exhibit space including a gift shop), Summer Garden, Japanese Temple Bell, Pedal Boats, 4 Sit-Down Restaurants (seating capacity for 1,300), 5 Snack Bars.

MAINLAND

Parking (capacity for 1,800 cars), 59-slip Marina.